Sales and Use Tax (Motor Vehicles)

How is the tax paid if a purchase of a vehicle is made out-of-state?

State and local use taxes are administered and collected by the local taxing jurisdictions and are paid when registering the vehicle.

If tax was paid to another state, Colorado will allow credit for the tax paid up to the amount of tax otherwise due for Colorado. This credit will be allowed when the vehicle is registered in Colorado.

Do not use any of the state's consumer use tax returns to file taxes due on motor vehicles -- this includes the DR 0252 Consumer Use Tax Return and the DR 0251 RTA Consumer Use Tax Return.

See <u>DRP 1002 Colorado Sales and Use Tax Rates</u> (for local tax rates)